

MARYLAND STATE BUILDERS ASSOCIATION

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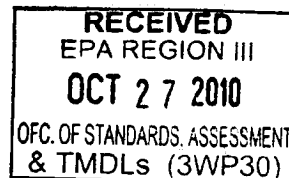
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MARYLAND NATIONAL CAPITAL
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ASSOCIATION

October 15, 2010

Robert A. Koroncai
Environmental Manager
Environmental Protection Agency Region III
1650 Arch Street
Philadelphia, PA 19103-2029



Dear Mr. Koroncai:

The EPA released its 5.3 BayShed model with an impervious coverage in the Bay States of 675,917 acres, which was a dramatic change over the 5.2 BayShed model (799,989 impervious acres). We then learned in late May 2010 that these areas are incorrect and that a new version of the model is being worked on that will show an impervious area almost twice as large-over 1.5 million acres. Regardless of any explanation, we will need field verification of the veracity of these numbers as the significant fluctuations have extreme implications since the State's Watershed Implementation Plans are based on data from this model.

The EPA was asked to delay the issuance of its TMDLs until the modeling inconsistencies were rectified. However, in a move that was disappointing to many state regulators and stakeholders, the EPA chose to move forward with the TMDL and announced to the States that the model would be fixed in 2011. So this summer the EPA directed the States to submit their proposed implementation plans on schedule and in September 2010 the Watershed Implementation Plans ("WIP") were drafted/reviewed by EPA. The EPA is requiring several States to reduce or retrofit with stormwater treatment systems up to 50% of the impervious surfaces in MS4 jurisdictions and 25% in non-MS4 regulated areas. Montgomery County's MS4 is proposing 30% of impervious area retrofit. The issue is that if the area doubles-these requirements and their associated costs will double without any public consideration of their cost-as the WIP's are based on a percentage of a number that is expected to change. The costs associated with retrofitting existing communities is daunting-according to a report published by the Center for Watershed Protection the Urban Suburban are estimated to cost a median of \$88,000 per impervious acre (in 2006 dollars-or over \$100,000 in 2010 dollars); so we are talking about costs between \$18 Billion and \$20 Billion-versus costs using today's model of between \$42 Billion and \$48 Billion.

Thus far, the federal government has not appropriated the funding necessary to implement these new requirements. There has been no cost benefit analysis conducted and it is commonly accepted that these methods (urban retrofit) costs are an order of magnitude more costly than alternatives such as wastewater treatment plants upgrades. Most of the States will be unable to bear the cost burden without raising taxes. We need broad based programs to source the Bay Clean Up; we need also a balance of fiscal reality along with expected results.


Thomas M. Farasy
President, Maryland State Builders Association

cc: Richard Batiuk
Michael Frist